Hike in customs duty

1876. SHRI RAMDAS AGARWAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are contemplating a phased hike in the customs duty on certain items reserved for the small scale sector, as reported in the Economic Times, (New Delhi) dated 24th February, 2000;

(b) whether Government propose to raise the excise exemption limit for SSIs which has been currently available on production upto Rs. 50 lakh per unit;

(c) if so, the details therefore; and

(d) what help Government are rendering to SSIs so that such units produce quality products at competitive prices, maintain international quality standards and adopt modern marketing techniques?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN): (a) In the budget for the year 2000-01 the basic duty on consumer goods (including some reserved for manufacture in the SSI sector) was generally raised to the peak rate of 35%. These items are also liable to surcharge at 10% of the basic duty. Special additional duty of 4% is also chargeable over and above these duties regardless of whether the goods are imported by traders or others.

(b) No, Sir.

(c) Does not arise in view of the reply to part (b) above.

(d) The Central Government, *inter-alia,* is providing the following facilities / Services / Incentives to SSI units to improve the quality of their products, marketing techniques etc.:

1. Six Product-cum-Process Development Centres (PPDCs) serve as R&D Institutions in the areas of dense industry cluster encouraging product design and innovation and providing manpower development and training.

2. Four Regional Testing Centres (RTCs) provide testing facilities for raw material, semi-finished products and end products of SSI units.

3. 28 Small Industries Service Institutes (SISIs) and 30 Branch SISIs set up in State capitals and other industrial cities all over the country provide techno-economic managerial support services to the SSI units.

4. Office of Development Commissioner (SSI) has launched a scheme on technology upgradation and management Programme called UPTECH in 1998.

5. SIDBI operates technology development and modernisation fund (TDMF) to encourage existing industrial units in the small scale sector to modernise their production facilities and adopt improved and updated technology so as to strengthen their export capabilities.

6. The Office of DCSSI gives assistance to SSI units on acquiring ISO 9000 certification.

Foreign investment and disinvestment policy in PSUs

†1877. SHRI DILIP SINGH JUDEV: Will the Minister of DISINVESTMENT be pleased to state:

(a) what is Government's policy regarding foreign investment in private sector undertakings;

(b) the total revenue earned by Government, till date, through such investment;

(c) the manner in which Government propose to utilise this revenue;

(d) whether a part of the said revenue would be earmarked for creating an investment fund so as to use it for strengthing other enterprises of private sector; and

(e) if so, what is the present position regarding such fund?

THE MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN JAITLEY): (a) Government, on review of the policy on Foreign Direct Investment (FDI), has decided to place all items / activities under the automatic route for FDI / NRI and Overseas Corporate Body (OCB) investment except the following:—

†Original notice of the question was received in Hindi.